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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	78528124
Applicant	K&B Underwriters, LLC
Applied for Mark	K&B UNDERWRITERS
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**BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**  
**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Serial No. : 78/528,124  
Appellant : K&B Underwriters, LLC

Mark : **K&B UNDERWRITERS** (MARK)  
International Class : 36  
Filed : DECEMBER 15, 2004

Atty Docket No. : K&BU-0001-T1

Examiner : RAUEN, J.  
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Commissioner for Trademarks  
P.O. Box 1451  
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**APPELLANT’S BRIEF ON APPEAL**

Appellant submits the following brief on appeal in compliance with 37 C.F.R. §§ 2.126 and 2.142. Appellant respectfully requests that the Final Office Action of February 7, 2006, be reversed and withdrawn.

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### *Cases*

*Century 21 Real Estate Corp. v. Century Life of Am.*, 23 USPQ2d 1698 (Fed. Cir. 1992)  
*Express Funding, Inc. v. Express Mortg., Inc.*, 894 F. Supp. 1095 (E.D. Mich. 1995)  
*In re Albert Trostel & Sons Co.*, 29 U.S.P.Q.2d 1783 (TTAB 1993)  
*In re E. I. Du Pont de Nemours & Co.*, 177 U.S.P.Q. 563 (C.C.P.A. 1973)  
*In re General Motors Corporation*, 196 U.S.P.Q. 574 (TTAB 1977)  
*In re Linkvest*, 24 U.S.P.Q.2d 1716 (TTAB 1992)  
*In re Sydel Lingerie Co., Inc.*, 197 U.S.P.Q. 629 (TTAB 1977)  
*Information Resources Inc. v. X\*Press Info. Services*, 6 U.S.P.Q.2d 1034 (TTAB 1988)  
*Java Jazz, Inc. v. Jazzland, Inc.*, 109 Fed. Appx. 159, 160 (9th Cir. 2004)  
*Opryland USA Inc. v. The Great American Music Show Inc.* 23 U.S.P.Q.2d 1471 (Fed. Cir. 1992)

### *Statutes*

15 U.S.C. 1052(d)  
15 U.S.C. § 1126(e)

### *Rules*

37 C.F.R. § 2.142(d)

### *Other*

TBMP § 1203.1  
TMEP § 1207.01(d)(iii)

**I. Facts on the Record**

Appellant, K&B Underwriters, LLC, filed a trademark application for the mark K&B UNDERWRITERS used for “insurance brokerage services,” on December 4, 2004. On July 19, 2005, a non-final office action rejected Appellant’s mark as being likely to cause confusion with Registration No. 2,825,554 and Registration No. 2,774,497 under 15 U.S.C. § 1052(d). The ‘554 Registration is for the mark KB HOME and is registered for the services of “mortgage lending and escrow services *in connection with the construction and brokerage of single family and multiple family dwelling units*” (emphasis supplied). The ‘497 Registration is for the mark KB HOME MORTGAGE and is registered for the services of “mortgage lending services *in connection with the construction of, and to assist in the purchase of, single family and multiple family dwelling units*” (emphasis supplied). The Registrant of the ‘554 and ‘497 Registrations is KB Home Corporation.

Appellant filed a response to the non-final office action on January 5, 2006, which was denied by the Final Office Action mailed on February 7, 2006. Appellant filed request for reconsideration on May 5, 2006, which was denied on June 21, 2006. Appellant filed a notice of appeal on August 7, 2006, along with a second request for reconsideration. This second request for reconsideration was denied on October 9, 2006. The Board reinstated this appeal on October 18, 2006. On December 4, 2006, Appellant filed an amendment to amend the services to “insurance brokerage services, *namely providing business-to-business insurance brokerage services* in International Class 36” (emphasis supplied). On December 18, 2006, Appellant filed an Appeal Brief. On January 5, 2007, the appeal was suspended so that the Examiner could consider Appellant’s amendment filed on December 4, 2006. On February 5, 2007, the Examiner entered the amendment but maintained the refusal. On

February 20, 2007, the Board reinstated the appeal and this Appeal Brief now follows.

**II. Issues to be Decided on Appeal**

- A. Whether a reasonable consumer would confuse the services of Appellant's mark with the services of the '554 and '497 Registrations.
- B. Whether a reasonable consumer would confuse the appearance of Appellant's Mark with the appearance of the '554 and '497 Registrations.
- C. Whether the totality of *DuPont* factors shows that a reasonable consumer would not be likely to confuse Appellant's Mark with the '554 and '497 Registrations.

**III. Arguments Supporting Appellant's Position that the Final Refusal Should be Reversed**

Appellant recognizes the current record is voluminous and will refer to evidence already made of record in the following arguments. *See* TBMP § 1203.1.

**A. A Reasonable Consumer Would Not Confuse the Services of Appellant's Mark With the Services of the '554 and '497 Registrations.**

The Examiner admitted that the services of Appellant's mark and the services of the '554 and '497 Registrations "are not the same." *See*, Final Office Action, page 5. This admission is significant because the Examiner recognizes the clear distinction between the services covered by the marks at issue. Notwithstanding this admission, the Examiner then asserts that the services of the marks at issue "need only be related in some manner." *See*, Final Office Action, page 5. To relate the admittedly different services, the Examiner relies on a conclusory statement that "[i]t is quite commonplace for a single company to offer a wide range of financial services, including both

insurance brokerage and mortgages.” *See*, Final Office Action, page 5. Appellant respectfully disagrees with the Examiner’s conclusory statement. The business-to-business insurance services (herein referred to as “B-2-B insurance services”) for which Appellant is seeking registration of its mark are different from and not related to the services (new home mortgage lending) recited by the ‘554 and ‘497 Registrations, for at least the following reasons.

In making this conclusory statement, the Examiner artificially broadened the services of the ‘554 and ‘497 Registrations to be “mortgage lending” generally, rather than being limited to new home sales, and the Examiner has relied on this artificial broadening to reject Appellant’s mark. Only by using these artificially broadened services did the Examiner find that the services were related in some manner. Further, the Examiner misapplied the expansion of trade doctrine to further broaden the Registrant’s services. In addition, the Examiner has twice attempted to show through websites of large financial companies, to which Appellant objects, and through third party registrations, that it supposedly is commonplace that the artificially broadened services are offered in connection with the services of Appellant’s mark. The Examiner entered Appellant’s amendment to the services on February 5, 2007, but continued to construe Registrant’s services too broadly. A correct reading of the Registrant’s services clearly shows that the services are dissimilar since none of the services overlap, and also shows that the services are defined and viewed separately. Therefore, for the following reasons, a reasonable consumer would not confuse the services of Appellant’s mark with the services of the ‘554 and ‘497 Registrations.

**1. THE REJECTION IS IMPROPER AND NOT BASED ON THE ACTUAL SERVICES OF THE ‘554 AND ‘497 REGISTRATIONS**

The services of a registered mark are defined by what is contained in the registration. *See In re Linkvest*, 24 U.S.P.Q.2d 1716, 1716 (TTAB 1992) (“With respect to the goods, the question of likelihood of confusion must be determined on the basis of the goods set forth in applicant’s application and those in the cited registration...”). The Examiner in the Final Office Action has ignored this principle and has mischaracterized the ‘554 and ‘497 Registrations as being registered for the services of “mortgage lending” generally. In fact, the ‘554 and ‘497 Registrations are registered for much narrower services, namely “mortgage lending and escrow services in connection with the construction and brokerage of single family and multiple family dwelling units” and “mortgage lending services in connection with the construction of, and to assist in the purchase of, single family and multiple family dwelling units.” The Registrations themselves best describe the true nature of the Registrant’s business, *i.e.* **new home** construction, home sales and mortgage lending. Instead, the Examiner considered no such limitation and stated that the “registered services are ‘mortgage lending.’” *See*, Final Office Action, page 4. To mischaracterize the services, as the Examiner has done, as “mortgage lending” artificially broadens the services beyond the express limitations made by the Registrant. In artificially broadening the services beyond what was provided in the cited Registrations, the Final Office Action did not evaluate Appellant’s mark based on the actual services of the cited Registrations. The failure to properly evaluate Appellant’s mark in view of the cited Registrations is a clear error and should be reversed, and the finality of the rejection should be withdrawn.

- a. The Expansion of Trade Doctrine Was Applied Incorrectly to Expand a Fictitious Company and Not the Registrant, and Thus Does Not Indicate that the Conflicting Marks Would be Likely to Cause Confusion for a Reasonable Consumer*

The Examiner stated that “any goods or services in the registrant’s normal fields of expansion must also be considered to determine whether the registrant’s goods or services are related to the applicant’s identified goods or services.” *See*, Final Office Action, page 5. The “expansion of trade” doctrine states that a “trademark owner is entitled to prevent registration or use of its mark on all products which might reasonably be expected to be produced by him in the **normal expansion of his business.**” *See In re General Motors Corporation*, 196 U.S.P.Q.574, 575 (TTAB 1977) (emphasis supplied). A proper application of the expansion of trade doctrine requires determining the normal field of business of the Registrant and then determining the logical extensions from that normal field.

The Examiner did not apply the expansion of trade doctrine in this manner. Instead, the Examiner characterized the Registrant’s normal field of business as the artificially broadened services, *i.e.* “mortgage lending” generally, and then expanded again from those services. The Examiner did not consider or define the normal field of business of Registrant. KB Home Corporation primarily is a builder of homes. *See*, First Request for Reconsideration, Appendix I. Of the 25 registrations and pending applications currently owned by KB Homes, only 8 registrations list mortgage services and the rest of the registrations are for home building services. *See*, First Request for Reconsideration, Appendix H. Thus, to properly apply the doctrine the Examiner would have to expand the Registrant’s normal home construction business, not a mischaracterized general commercial and residential mortgage lending business. In essence, the Examiner ignored the actual Registrant, and created a fictitious company based on an artificial broadening of the cited Registrations’ services to other financial services.

A proper expansion of a home builder, such as Registrant, is to expand into mortgage lending services associated with the construction of new homes. Registrant already expanded into this field by obtaining the '554 and '497 Registrations. A reasonable consumer would not expect that the Registrant would further expand to provide insurance services, especially not B-2-B insurance services unrelated to new home construction like those offered by Appellant. Instead, a reasonable consumer would view the services as dissimilar and distinct and Appellant's mark would not create a likelihood of confusion with the '554 and '497 Registrations. Therefore, the expansion of trade doctrine cannot be used by the Examiner to show that the B-2-B insurance services of Appellant's mark are related in some manner to the new home mortgage lending services recited in the '554 and '497 Registrations.

*b. Evidence Submitted by the Examiner After Appeal Is Objected to and Relies on the Artificially Broadened Services to Incorrectly Relate the Registrant's Services with Applicant's Services*

In response to the Second Request for Reconsideration filed with the Notice of Appeal on August 7, 2006, and the Amendment on December 4, 2006, the Examiner denied both requests and included additional new evidence that included printouts from various financial company websites. The Examiner provided this new evidence to address the issues raised by Appellant in the First and Second Requests for Reconsideration. *See*, Communication of October 9, 2006. Also, the Examiner indicated in the February 5, 2007 refusal that the evidence of October 9, 2006 was clear, but the Examiner chose to add new evidence of different websites of financial companies. Appellant objects to this evidence on the grounds that the record should be complete *prior* to appeal and Appellant has not had an opportunity to fully respond to the additional new evidence. *See* 37 C.F.R. § 2.142(d).

Provided that the objection is not granted, this new additional evidence further supports only the artificial broadening of the Registrant's services and does not show that a reasonable consumer would confuse the actual services of the marks at issue or that the services are related in any meaningful way. The Examiner stated that this evidence supports the "assertion that it is commonplace for a single financial company to offer a wide range of financial services, including those at issue in this case." *See*, Communication of October 9, 2006. Appellant disagrees and finds that most of the evidence is irrelevant and unclear. The Examiner did not indicate that any of this evidence shows the Registrant's services of "mortgage lending and escrow services in connection with the construction and brokerage of single family and multiple family dwelling units" or "mortgage lending services in connection with the construction of, and to assist in the purchase of, single family and multiple family dwelling units." In fact, none of the website printouts indicates that any of these companies are providing the new home services as recited in the '554 and '497 Registrations. Therefore, this new evidence is irrelevant.

A closer examination also highlights that the evidence is irrelevant because the websites do not show that the services of the marks at issue are related. The Nationwide printout shows various types of insurance, including "auto" "property" "life" "health" "mortgage" and "business." It is clear that "mortgage" here refers to mortgage insurance. Appellant notes that mortgage insurance is a type of insurance and should not be construed as relating Appellant's services with the mortgage lending services of the '554 and '497 Registrations. The AIG, State Farm, Allstate, Metlife, Countrywide, Southwest Business Corporation, Bank of the West, Adirondack Trust, and Sovereign Bank printouts only relate to the artificially broadened services, namely general residential and commercial

mortgage lending. None of these websites indicates that these financial companies focus on the narrower new home residential mortgage lending services recited in the '554 and '497 Registrations.

Further, each of these websites segregates the insurance services from mortgage services as different goods are in different departments of a grocery store or department store. This Board has found that relating all goods in a grocery store or department store is usually an improper *a per se* test. *See In re Sydel Lingerie Co., Inc.*, 197 U.S.P.Q. 629, 630 (TTAB 1977). That is what the Examiner has done by relating all financial services simply by finding broad categories of financial services on a financial company/"department" store website. For example, the Allstate and Metlife websites use different domain names when describing insurance services than when describing mortgage lending services. The Countrywide, Southwest Business Corporation, Bank of the West, Adirondack Trust, and Sovereign Bank websites display the services of mortgage lending and insurance under separate headers. Insurance and mortgage services are not even described on the same page in the State Farm website. One must follow the link to State Farm Bank to view mortgages. The AIG website describes the services on different linked pages and indicates that the services are provided by different groups: American General Financial Services for mortgages and A.I. Credit Corp. for insurance. Each of these segregations used when offering the services indicates that these large financial companies view insurance and mortgage lending services as separate and distinct products and lines of business. Thus, a reasonable consumer would view Appellant's B-2-B insurance services and the artificially broadened mortgage lending services as separate and unrelated.

*c. The Examiner's References to Third Party Registrations Relies on Artificial Broadening and Thus Does Not Show that the Conflicting Marks Would be Likely to Cause Confusion for a Reasonable Consumer*

In support of the conclusory statement in the Final Office Action, the Examiner provides what at best is strained and misleading evidence by relying on third party registrations. Appellant recognizes that the Board and Examiner may use third party registrations with the caveat that this evidence has only “*some probative value* to the extent that they serve to suggest that the listed goods and/or services are of a type which *may emanate* from a single source.” *See In re Albert Trostel & Sons Co.*, 29 U.S.P.Q.2d 1783, 1786 (TTAB 1993) (emphasis supplied). According to the Examiner’s search terms, which are shown on page 55 of the Final Office Action, the Examiner found 123 registrations that contain the services of “insurance brokerage” and “mortgage lending.” The Examiner provided twenty of these registrations in Appendices to the Final Office Action and the Appellant provided all of the registrations in Appendix G of the First Request for Reconsideration. Again the Examiner rejected Appellant’s mark using the artificially broadened services of the ‘554 and ‘497 Registrations. The Examiner did not cull through the results to locate registrations having services similar to “mortgage lending and escrow services *in connection with the construction and brokerage of single family and multiple family dwelling units*” and “mortgage lending services *in connection with the construction of, and to assist in the purchase of, single family and multiple family dwelling units*” (emphasis supplied). Without this artificial broadening, *none* of these third party registrations shows the combination of the Appellant’s services and the narrow new home residential mortgage lending services of the ‘554 and ‘497 Registrations in a single third party registration. Therefore, these third party registrations have no probative value since there is no overlap of the specific recited new home mortgage services with Appellant’s services.

Even with this artificial broadening of the services recited in the ‘554 and ‘497

Registrations, there is scant evidence to support the proposition that these services originate from a single source or are related in some manner. Instead of supporting the Examiner's position, the 123 third party registrations support the opposite conclusion; that the services of "insurance brokerage" and "mortgage lending" are *almost never related services* because only a tiny fraction of all registrations that contain the services of either "insurance brokerage" or "mortgage lending" actually contain *both* services. In fact, considering all mortgage lending and insurance brokerage marks, both insurance brokerage and mortgage lending services appear in the same registration in only 2.7% of the Registrations. *See*, First Request for Reconsideration, pages 7-13. Furthermore, some of the 123 third party registrations are issued under 15 U.S.C. § 1126(e) and have little probative value. *See* TMEP § 1207.01(d)(iii). Also, some of the 123 registrations share the same owner, which further discounts their already limited probative value, in that not all 123 registrations are unique pieces of evidence. Discounting the overlap in registrants and foreign-based registrations, the tiny fraction of registrations which contain both services drops to less than 1.5% of all the third-party registrations that contain either "insurance brokerage" or "mortgage lending." Correlation of less than 2% cannot and does not support the proposition that a reasonable consumer would believe that these two admittedly different services originate from a single source. Without any real support for the rejection from the third-party registrations, the only evidence that remains is the Examiner's admission that the B-2-B insurance services of Appellant's mark and the new home mortgage lending services of the '554 and '497 Registrations are different. Appellant agrees with the Examiner's admission that the services are very different and, thus, would not be perceived by a reasonable consumer as being related.

**2. PROPERLY READING THE SERVICES OF THE CITED REGISTRATIONS CLEARLY  
NEGATES ANY LIKELIHOOD OF CONFUSION**

The difference between Appellant's B-2-B insurance services and the new home mortgage lending services of the cited Registrations is clear when the services actually registered are compared to the services listed in Appellant's application. These services are treated differently by the Appellant and by Registrant, by competitors in both industries, and by regulatory agencies, as well as being defined in distinct terms. These differences show that the services are not related and would be understood by a reasonable consumer as originating from different sources. A reasonable consumer would not confuse the '554 and '497 Registrations or their services with Appellant's mark or its services, thus negating any likelihood of confusion between Appellant's mark and the cited Registrations.

Appellant does not know of a prior situation in which B-2-B insurance services and new home mortgage services as recited in Appellant's mark and the '554 and '497 Registrations were held to be similar or related. The Federal Circuit previously found a likelihood of confusion between Century 21 Real Estate Corporation and Century Life of America, which is distinguishable from the present situation. *See Century 21 Real Estate Corp. v. Century Life of Am.*, 23 USPQ2d 1698 (Fed. Cir. 1992). In that case, in addition to having a trademark for mortgage services, Century 21 also had a registration for insurance brokerage services. Century Life sought registration of the mark on insurance underwriting services. The Federal Circuit decided there was a likelihood of confusion based on the similar insurance services. *See Id.* at 1701. This case was not decided on the grounds that mortgage services and insurance services were similar or related. Further, the type of mortgage services in *Century 21 Real Estate* were not limited to the particular type of new home mortgage

services recited in the ‘554 and ‘497 Registrations. Thus, consideration of the actual services recited in the ‘554 and ‘497 Registrations shows that there is no likelihood of confusion with the services for which Appellant seeks to register its mark.

*a. Appellant and Registrant View Their Respective Services as Separate and not Overlapping.*

None of the services listed in Appellant’s mark are reproduced in the recitation of services in the ‘554 and ‘497 Registrations. There are no overlapping services between Appellant’s mark and the ‘554 or ‘497 Registrations. This is a strong indicator that both the Registrant and Appellant do not consider their services to be similar or to be related. Instead, the services are viewed and treated as separate and different by both the Registrant and the Appellant.

*b. Lack of Competition between the Services Indicates that they are Different.*

The lack of competition is a strong factor that weighs against finding that a reasonable purchaser would be confused into believing that the Appellant’s services and the Registrant’s services originate from a single source. *See Java Jazz, Inc. v. Jazzland, Inc.*, 109 Fed. Appx. 159, 160 (9th Cir. 2004) (finding no likelihood of confusion between a restaurant and an amusement park using the same mark since the markets are not overlapping). There is no competition between the services recited in the cited Registrations and the services recited in Appellant’s mark. This is evident from the fact that a company offering B-2-B insurance services and a company offering new home mortgage services do not compete for the same purchasers. A reasonable business purchaser seeking B-2-B insurance services would not encounter KB Home providing new home mortgage lending services. *See*, Second Request for Reconsideration, Appendices A and B. The advertisements in Appendix A and the search

results in Appendix B of the Second Request for Reconsideration show that no company advertises or offers B-2-B insurance services with new home mortgage services. Instead, the reasonable business purchaser would encounter Appellant and Company C providing B-2-B insurance services. The same is true for a reasonable purchaser seeking new home mortgage lending services. *See*, Second Request for Reconsideration, Appendices C and D. The advertisements in Appendix C and the search results in Appendix D of the Second Request for Reconsideration show that no company advertises or offers mortgage services, especially new home mortgage lending services, with B-2-B insurance services. Even more pertinent is the fact that the Registrant is not offering general mortgage services as broadly proposed by the Examiner, but mortgage services “in connection with the construction and brokerage of single family and multiple family dwelling units” and “in connection with the construction of, and to assist in the purchase of, single family and multiple family dwelling units.” Based on these recited services, a reasonable purchaser seeking new home residential mortgage services as recited would not encounter competing companies offering B-2-B insurance services. The differences in the services are clear since there is an absence of competition between the recited services in the cited Registrations and those in Appellant’s application. This absence of competition means that a reasonable consumer would not relate the services in some manner as erroneously concluded by the Examiner.

*c. Insurance and Mortgage Industries Are Regulated by Different State Agencies*

The difference in services and industries is also demonstrated by the regulatory treatment of insurance and mortgage lending services. All states regulate individuals and companies who provide insurance. All states likewise license individuals and companies who engage in

mortgage lending. The regulation of both activities is commonly carried out by different agencies. Typically, agencies and their departments are formed to perform a central purpose to enforce a particular set of rules. Thus, the fact that nearly all states have two different agencies regulating the two different industries reflects the differences in the marketplace and product lines between insurance and mortgage lending. *See*, First Request for Reconsideration, Appendices C-F. This evidence shows insurance brokerage and mortgage lending are sufficiently different since the services are regulated differently in the marketplace. Therefore, a reasonable consumer would not be likely to confuse the services of insurance and mortgage lending, and is not likely to be confused into believing that such services originate from a single source.

*d. The Definitions of the Services are Distinguishable and Do Not Overlap*

The standard definitions of “insurance” and “mortgage” clearly refer to different activities. “Insurance” is defined as “coverage by contract whereby one party undertakes to indemnify or guarantee another against loss by a specified contingency or peril.” *See*, First Request for Reconsideration, Appendix A. “Mortgage” is defined as “a conveyance of or lien against property that is defeated upon payment or performance according to stipulated terms.” *See*, First Request for Reconsideration, Appendix B. These definitions show that services involving “insurance” and “mortgages” are not commonly understood to be overlapping, related or similar services. Therefore, the definitions of these services clearly show that insurance and mortgage lending services are commonly understood to be different and distinct types of services.

**B. A Reasonable Consumer Would Not Confuse the Appearance of Appellant's Mark with the Appearance of the '554 and '497 Registrations**

In addition to being used on different services, the appearance of Appellant's mark is distinct from the appearance of the '554 and '497 Registrations when the entire mark is taken into account. *See Opryland USA Inc. v. The Great American Music Show Inc.*, 23 U.S.P.Q.2d 1471, 1473 (Fed. Cir. 1992) ("When it is the entirety of the marks that is perceived by the public, it is the entirety of the marks that must be compared."). For the reasons discussed below, there are significant differences in appearance, connotation and sound between Appellant's mark and the cited Registrations.

**1. THE APPEARANCE OF APPELLANT'S ENTIRE MARK IS DIFFERENT FROM THE APPEARANCE OF THE '554 AND '497 REGISTRATIONS**

Appellant is seeking to register the mark K&B UNDERWRITERS. The '554 Registration's mark is KB HOME and the '497 Registration's mark is KB HOME MORTGAGE. Appellant's mark appears different in that it contains a term not present in the '554 or '497 Registrations, namely, "underwriters." Appellant's mark does not use the exact terms of the '554 or '497 Registrations, namely home or mortgage. Also, Appellant's mark uses an ampersand to formally separate the letters K and B. These differences are significant when considered in their entirety because each point of difference between Appellant's mark and the '554 or '497 Registrations contributes to a different appearance which is not likely to cause confusion. Indeed, the only similarity between the marks is that they each contain the letter "K" and the letter "B." This sole similarity is not enough to overcome the substantial differences between the marks.

Instead of focusing on the entire mark, the Final Office Action chose not to analyze Appellant's entire mark but dissected and focused on only a portion of the mark. The Final Office

Action cites a number of cases to support the proposition that “it is well settled that it is more difficult to remember a series of arbitrarily arranged letters than it is to remember words or figures, for example, such that confusion is more likely between arbitrarily arranged letters than between other types of marks.” *See*, Final Office Action, page 4. Based on these cases, the Final Office Action states that “[t]his line of decisions makes it clear that the marks in this case **must** be held confusingly similar.” *See*, Final Office Action, page 5. It appears that the Final Office Action is applying a *per se* rule to deny registration of Appellant’s mark. The Board has repeatedly moved away from using any *per se* rule in analyzing likelihood of confusion rejections. *See Information Resources Inc. v. X\*Press Info. Services*, 6 U.S.P.Q.2d 1034, 1038 (TTAB 1988) (no *per se* rule in determine the relatedness of computer goods). The error in the Final Office Action’s reliance on a *per se* rule is clear when reviewing the numerous citations in the Final Office Action. Each of these cases is clearly distinguishable from the present situation since each case involved marks consisting in their entirety **only** of “a series of arbitrarily arranged letters” as shown in the table on page 18 of the First Request for Reconsideration. Furthermore, in each of those cases, the marks at issue were used by competitors on the same goods or services, which is not the case in the present situation. Appellant’s mark is not merely a series of arbitrarily arranged letters and should not be dissected as such.

In addition, the Final Office Action improperly dissected Appellant’s mark and the ‘554 and ‘497 Registrations to determine that the dominant feature of Appellant’s mark is K&B and the dominant feature of the ‘554 or ‘497 Registrations is KB. Appellant disagrees with this characterization of the dominant feature as an artificial fiction based on a side-by-side comparison of the marks which does not consider how a reasonable consumer would perceive the marks in the different relevant marketplaces. Instead, the dominant feature of the ‘554 and ‘497 Registrations is

KB HOME. This dominant feature is used repeatedly by the Registrant in other marks and on its website. *See*, First Request for Reconsideration, Appendixes H and I. Using Appellant's proper construction of the dominant feature, it is clear that the appearance of the '554 or '497 Registrations is distinct from the appearance of Appellant's mark.

**2. THE COMMERCIAL CONNOTATION CREATED BY APPELLANT'S ENTIRE MARK IS DIFFERENT FROM THAT OF THE '554 AND '497 REGISTRATIONS**

Appellant's mark for K&B UNDERWRITERS conveys an entirely different commercial connotation than the '554 or '497 Registrations. First, Appellant's mark uses an ampersand, "&", which is not simply a replacement of the word "and," but rather a formal designator used to indicate a relationship between people, groups, organizations, companies, *etc.* *See*, First Request for Reconsideration, Appendix J. A close personal relationship between K and B is most clearly conveyed by the use of the ampersand. Ampersands are widely used to denote the close relationship between two distinct people, most commonly between spouses, *e.g.* Mr. & Mrs. Jones. In contrast the '554 or '497 Registrations, which do not use an ampersand, does not convey a close relationship, but instead conveys unity represented by the singular "KB," with no connotation of a combination of two separate persons or entities. The '554 and '497 Registrations do not convey two distinct people joined. This distinction in the commercial connotation creates two entirely different meanings and mitigates against finding a likelihood of confusion between Appellant's mark and the '554 or '497 Registrations.

Second, Appellant's mark conveys the impression of people, while the '554 and '497 Registrations convey the impression of a thing. Appellant's mark is for K&B UNDERWRITERS, which denotes people due to the close personal relationship conveyed by the ampersand and the use

of a term, underwriters, that describes a person. The term “underwriters” refers only to a person engaged in underwriting. In the ‘554 and ‘497 Registrations, quite the opposite connotation is provided by the terms “HOME” and “HOME MORTGAGE.” Those terms refer to products and not people. A home is not person but a building and a place. A home mortgage is not a person but an intangible contract. Thus, Appellant’s overall mark K&B UNDERWRITERS creates a separate and different commercial impression than the ‘554 and ‘497 Registrations.

**3. THE SOUND OF APPELLANT’S ENTIRE MARK IS DIFFERENT FROM THE SOUNDS OF THE ‘554 AND ‘497 REGISTRATIONS**

Differences in sound also distinguish the ‘554 and ‘497 Registrations from Appellant’s mark. Differences in sound may be more important for services which are often spoken in commerce. The registered marks could reasonably be pronounced as: kā-**bē** hōm and kā-**bē** hōm **mô**r-gij, respectively. While Appellant’s mark is reasonably pronounced as: kā-**and**-bē un-dər-**rit**-ərs. More importantly, a reasonable person saying Appellant’s mark, K&B UNDERWRITERS, would not mispronounce Appellant’s mark to sound similar to the ‘554 and ‘497 Registrations. One does not need perfect pronunciation to distinguish the sound of Appellant’s mark from the sound of the ‘554 and ‘497 Registrations. Thus, the sound of Appellant’s mark is distinct from the sound of the ‘554 and ‘497 Registrations.

**C. The Totality of *DuPont* Factors Shows that a Reasonable Consumer Would Not Be Likely to Confuse Appellant’s Mark With the ‘554 and ‘497 Registrations.**

In considering all the *DuPont* factors, the totality of circumstances clearly shows that a reasonable consumer would not be confused as to the source of Appellant’s mark and the cited Registrations. *See In re E. I. Du Pont de Nemours & Co.*, 177 U.S.P.Q. 563 (C.C.P.A. 1973).

Appellant's arguments in Section III-B and Section III-A cover the first and second *DuPont* factors, respectively. The remaining factors also indicate there is no likelihood of confusion between Appellant's mark and the cited Registrations.

The third *DuPont* factor looks at trade channels. Appellant's services are sold directly to businesses having insurance needs, which generally are not also in the market for a new house. However, the services of the '554 and '497 Registrations are limited. The trade channels are limited to mortgages sold in connection with the construction of single family and multifamily residential dwelling units. The trade channels for the '554 and '497 Registrations are limited by the recited services to the purchasers of a mortgage from a builder of dwelling units. Appellant's trade channels businesses seeking to sell insurance to other businesses seeking protection from risks, which are generally not also in the market for a new home. Therefore, the trade channels of the '554 and '497 Registrations are limited and would not reasonably encompass the trade channels of Appellant's services. The third factor thus weighs in Appellant's favor.

The fourth *DuPont* factor looks at the sophistication of the purchasers. This factor definitely weighs in Appellant's favor because the purchasers of both services are sophisticated and therefore not likely to be easily confused by any trademark similarities. Appellant's customers are businesses seeking insurance to obtain protection from risks, while the Registrant's services are provided to individuals financing a new home, which is usually the individual's largest purchase and biggest investment, made after careful planning and deliberation. Even within the mortgage industry, courts have recognized potential significant differences between consumers of wholesale mortgages and retail mortgages. *See Express Funding, Inc. v. Express Mortg., Inc.*, 894 F. Supp. 1095, 1101 (E.D. Mich. 1995) (finding

likelihood of confusion since both parties operated in the retail mortgage industry). Such differences within the mortgage industry indicate there would be significant differences with other non-mortgage services, such as the insurance services that are the subject of Appellant's application. The differences are due largely to a different type of consumer. Appellant's business insurance purchasers are not the same type of consumers that would seek and use the narrow residential new home mortgage lending services recited in the '554 and '497 Registrations. The different consumers would encounter the marks in a different manner and would not be likely to confuse Appellant's mark with the cited Registrations. This factor thus weighs in Appellant's favor.

The fifth *DuPont* factor is the fame of the prior mark. In this case, the prior mark does not have enough fame to justify broad protection outside of the services listed in the '554 and '497 Registrations. This is a factor which is clearly in Appellant's favor.

The sixth *DuPont* factor is the number and nature of similar marks used on similar goods. The Examiner has found only two other marks by the same Registrant, and those marks are not being used on services that are substantially similar to B-2-B insurance services, as discussed above. This is a factor which clearly weighs in Appellant's favor.

The seventh and eighth *DuPont* factors are the extent of actual confusion and the length of time there has been concurrent use without confusion. Appellant is aware of no actual confusion to date, despite having operated for many years. Both of these important, real-world, market-related factors clearly weigh in Appellant's favor.

The ninth *DuPont* factor is the variety of goods or services on which the mark has been used. Appellant is seeking registration for one particular type of insurance brokerage service,

namely B-2-B insurance services. The ‘554 and ‘497 Registrations are registered for one particular type of mortgage lending service, namely new home construction mortgages. As discussed above, these services would not indicate a common source. Further, both Appellant’s mark and the ‘554 and ‘497 Registrations are limited to one type of service. This factor weighs in Appellant’s favor.

The tenth *DuPont* factor is the relationship between the parties. There is no current or former relationship between Appellant and KB Home. This is a factor which clearly weighs in Appellant’s favor. The eleventh *DuPont* factor weighs in Appellant’s favor since the scope of the goods or services is clearly defined. The remaining *DuPont* factors do not apply in this situation. In considering all of the *DuPont* factors, the totality of circumstances shows that Appellant’s mark would not be likely to cause consumer confusion with the cited Registrations as to the source of the services.

#### **IV. Conclusion**

In summary, Appellant’s mark is sought for registration on B-2-B insurance services which are different from, and which are not commonly associated with, the new home residential mortgage lending services of the ‘554 and ‘497 Registrations. These differences are clearly shown when considering the totality of *DuPont* factors, especially the appearance of the entire mark, trade channels and sophistication of the relevant purchasing groups. Therefore, Appellant respectfully requests that this Board reverse the Final Office Action and allow Appellant’s mark to be published for opposition.

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Respectfully submitted,

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